

**Wheat Domestic Fundamentals:**

**All India average monthly prices for wheat decreased by 0.06 percent from Rs 1852.93 (in May -2018) to Rs 1851.8 per qtl in June-2018.** Average price (June) is lower by 2.51 percent compared to price (Rs 1899.41 per qtl.) registered in June - 2017. Prices are expected to trade steady to firm.

**As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed firm tone in the week.** As of now Tuticorin port price for APW is Rs 2300-2310 per quintal, ASW is Rs 2140-2160 per quintal and Ukrainian wheat is Rs 1920-1940 per quintal. Wheat supplies are likely to tighten this year.

**As per India's policy imported cargoes of pulses and wheat needs to be fumigated using methyl bromide.** India has extended its policy for crop fumigation by six months i.e. until 31st December' 2018. Methyl bromide was once used as a pesticide but is now banned or restricted in most parts of the world. However Indian government has given exemptions to their methyl bromide rule to allow imports.

**As per latest update, wheat stock in central pool as on 1st June'18 stood at 437.55 lakh tonnes up by 23.79% compared to last month.** This quantity is higher by around 30.85% compared to last year for the same month. Government has surpassed their procurement target of 32 MMT this year. Government has already applied import duty on wheat to curb imports and provide support to domestic prices. The stock position as on 01st June'18 is highest in last four years. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

**As per trade sources, India has imported no wheat in the month of May-2018.** India has imported around 31000 tonnes in the month of February-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. Main exporting countries like Australia and Russia are currently facing weather aberrations, which is likely to keep their export prices at higher side.

**Government agencies have started procurement since 15th March'18. Until 25th June'18 government has procured around 355.05 lakh tonnes of wheat.** Of the total quantity procured, around 126.91 lakh tonnes have been procured from Punjab, 87.39 lakh tonnes from Haryana, 50.88 lakh tonnes from Uttar Pradesh, 72.87 lakh tonnes have been procured from Madhya Pradesh, 15.31 in Rajasthan, 1.08 lakh tonnes from Uttarakhand, 0.14 lakh tonnes from Chandigarh, 0.37 lakh tonnes from Gujarat, 0.09 lakh tonnes from Bihar and 0.01 lakh tonnes from Himachal Pradesh. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT. Government has abundant supplies this year, which will allow it to control any unexpected price rise.

**As per trade source, India has exported around 2.31 thousand tonnes in the month of May** compared to 4.24 thousand tonnes in April. The quantity in March was exported at an average FOB of \$ 357.87 per tonne and the major destinations were Oman, South Africa, Congo, US, and Singapore. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**As per third advance estimate, India is likely to produce 98.61 MMT of wheat compared to 97.11 MMT** in second estimate. The total food grain production is expected at record 279.51 MMT, up by around 0.72% compared to second estimate.

**International Market Update:**

**Egypt has procured 3.15 MMT of local wheat in this season compared to 3.6 MMT in last season.** As per traders, local wheat has been purchased by the private sector at \$222.16 per tonne while the government was buying at around \$ 203.27 per tonne. The price gap created an opportunity for private sector to pay for local wheat in Egyptian pound rather than USD. Lower wheat procurement is indicating that GASC has to import more to fill its supply gap.

**Russian milling wheat prices became firm by \$0-3 per tonne at Novorossiysk and \$2-3 per tonne at Odessa compared to last week.** Harvesting in southern regions of both Ukraine and Russia has started that is keeping prices under pressure. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$195.00-199.00/tonne whereas milling wheat with 11.5% protein content at Odessa is being quoted at FoB \$188.00-192.00/tonne.

**As per latest update, Japan's ministry of agriculture bought 91188 MT of food quality wheat from United States and Australia.** Around 65943 MT has been bought from United States and 25245 MT of standard white wheat has been bought from west Australia. Shipments from United States and Australia will be loaded between Aug 01 and Aug 31, 2018.

**Outlook:** Cash market is expected to trade steady to firm in the near term.

Wheat Futures Contract: NCDEX Price							Date: 03.07.2018 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
18-Jul	-1	1828	1828	1811	1828	1630	+1,180	5290	-990
18-Aug	-2	1833	1863	1833	1844	730	+410	4770	+380
18-Sept	0	1862	1862	1862	1862	0	0	0	0

Spread	July-18	Aug-18	Sep-18	
Spot Narela				
18-Jul	118			
18-Aug		16		
18-Sep			18	

Stocks	Demat	In- Process	Total	FED
	02.July.18	02.July.18	02.July.18	02.July.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5047	0	5047	5047
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 03.7.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Jul-18	2-Jul-18	
Delhi	Lawrence Road	Mill Delivery	1770	1765	5
	Narella	Mill Quality Loose	1710	1715	-5
	Nazafgarh	Mill Quality Loose	1725	1725	Unch
Gujarat	Rajkot	Mill Delivery	1735	1730	5
	Ahmedabad	Mill Delivery	1870	1865	5
	Surat	Mill Delivery	1925	1920	5
	Dhrol	Mill Quality Loose	1730	1925	-195
M.P.	Indore	Mill Delivery	1750	1775	-25
	Bhopal	Mill Quality Loose	1945	1970	-25
Rajasthan	Kota	Mill Quality Loose	1725	1725	Unch
		Mill Delivery	1825	1825	Unch
U.P.	Kanpur	Mill Delivery	1740	1740	Unch
	Mathura	Mill Quality Loose	1610	1610	Unch
	Kosi	Mill Quality Loose	1580	1570	10
	Hathras	Mill Quality Loose	1630	1620	10
	Aligarh	Mill Quality Loose	1610	1600	10
Punjab	Khanna	Mill Quality Loose	1690	1690	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1745	5
	Hodal	Mill Delivery	1745	1745	Unch

	Bhiwani	Mill Quality Loose	1700	1690	<b>10</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2150	2100	<b>50</b>
	Madurai	Mill Quality	2207	2207	<b>Unch</b>
	Coimbatore	Mill Quality	2207	2207	<b>Unch</b>
<b>Bihar</b>	Khagariya	Mill Delivery	1500	1500	<b>Unch</b>
	Muzaffarpur	Mill Delivery	1550	1525	<b>25</b>
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Jul-18	2-Jul-18	
<b>Gujarat</b>	Rajkot	Lokwan	1850	1900	<b>-50</b>
<b>M.P.</b>	Indore	Lokwan	2200	2100	<b>100</b>
	Bhopal	Lokwan	2000	2000	<b>Unch</b>
	Bina	Sarbati 306	2550	2550	<b>Unch</b>
<b>Rajasthan</b>	Kota	LokwanBilty	1950	1900	<b>50</b>
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Jul-18	2-Jul-18	
<b>Delhi</b>	Lawrence Road	Mill Delivery	9500	10000	<b>-500</b>
	Narella	Mill Quality Loose	300	400	<b>-100</b>
	Nazafgarh	Mill Quality Loose	10	50	<b>-40</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	600	800	<b>-200</b>
	Dhrol	Mill Quality Loose	72	33	<b>39</b>
<b>M.P.</b>	Indore	Mill Quality Loose	4000	4000	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality	3000	3000	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	400	400	<b>Unch</b>
	Mathura	Mill Quality Loose	200	250	<b>-50</b>
	Kosi	Mill Quality Loose	1000	400	<b>600</b>
	Hathras	Mill Quality Loose	50	100	<b>-50</b>
	Aligarh	Mill Quality Loose	600	500	<b>100</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	800	800	<b>Unch</b>
	Ludhiana(Jagraon)	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	100	100	<b>Unch</b>
	Bhiwani	Mill Quality Loose	470	400	<b>70</b>

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-Jul-18	2-Jul-18	Change
Atta (50kg) Ordinary	1000	975	25
Maida Grade 1 (50KG)	1050	1015	35
Suji (50kg)	1100	1050	50
Chokar (50 kg)	875	900	-25
Chokar (34 kg)	595	615	-20
Chakki Atta (50kg)	1050	1025	25
Chakki Atta (50kg) Special	1075	1050	25
Chakki Atta (90kg) Superfine	1955	1910	45
Chakki Atta (50kg) Superfine	1085	1060	25

Wheat (CBOT) Future Price:02.07.2018					
Contract Month	Open	High	Low	Close	Change
18-Jul	497.25	505.00	477.25	480.25	-17.25
18-Sep	501.25	509.75	479.50	480.25	-21.00
18-Dec	517.25	525.50	496.00	496.75	-20.00
19-Mar	532.50	541.00	511.75	512.50	-19.75
19-May	543.50	552.50	523.75	524.50	-19.25
19-Jul	551.25	557.25	528.50	529.50	-19.00

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